

In a Changing World, CIA Reorgan

By George Lardner Jr.
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If the White House wants to arrange a quick raid on some far-off terrorist hideout in the 1990s, the CIA does not intend to be caught napping.

Since March, a panel of four senior CIA officers has been meeting regularly at agency headquarters to assess the prospects for covert action in the decade ahead.

Such activities are expected to increase in number as regional conflicts and the dangers of international drug-trafficking and terrorism begin to dominate the intelligence agenda. Big paramilitary undertakings such as the rebel war in Nicaragua probably will diminish, experts say, but small-scale operations, from covert training programs to planting stories in foreign publications, are expected to grow more rapidly.

"The world will be more complicated," one expert said. "There are going to be a lot of very irritating things for the United States, and areas in which a number of countries are willing to act together—from hostage situations to narcotics. A lot of those countries will want training. All have the same problems."

The task force, with one member from each of the CIA's four main directorates, is typical of the internal reorganization process going on at the Langley-based agency these days. The main aim of the covert action study, officials say, is to foresee the kinds of things the White House might want done in the 1990s so the agency can be ready with quick responses.

"We're not promoting it," Gary Foster, head of the CIA's planning directorate, said of more covert action. "But we want to anticipate the situations where it might be needed, so we can tell the president we can do this and that. What we look at is fundamental capability. Do we have the right people that we could draw on if asked?"

Planning like that has become

almost routine at Langley since outgoing CIA Director William H. Webster set up Foster's unit in mid-1989. Two other task forces are working on counterintelligence needs and on an across-the-board review of the agency's training programs. Bigger, more global studies—on topics ranging from weapons proliferation to the dizzy pace of change in the Soviet Union and Europe—were completed last year. Under Webster's tenure, the CIA seems by and large satisfied that it is making the changes required to keep up with the new world order.

But congressional committees that oversee the U.S. intelligence community are demanding more sweeping reforms. "We literally need to remake the intelligence community to fit the changed world environment," said Sen. David L. Boren (D-Okla.), chairman of the Senate Select Committee on Intelligence. He plans to pursue that point at this month's confirmation hearings for CIA director-designate Robert M. Gates.

When most Americans think of "intelligence," they think of the Central Intelligence Agency. But in terms of money and manpower, the CIA is a small slice of the pie. More than 85 percent of the annual U.S. intelligence budget goes to a huge array of Defense Department agencies. With the armed forces scheduled to shrink by 25 percent over the next five years, the intelligence apparatus has to shrink too.

"Two separate empires have been built up over the years—civilian intelligence and military intelligence," Boren said. "Two separate empires with a lot of duplication and overlap. We just can't afford it any more. We've got to force them together for budgetary reasons."

Because a number of U.S. military bases overseas are expected to close, Boren said civilian intelligence will be called on increasingly to collect more of the kind of infor-

mation the military needs and put it in a form that a military commander can use if he has to act on it in a hurry.

"We've really got to blend these two cultures in a much more effective way," Boren said. "Each side has some reason for distrusting the other, but we've got to bring them more closely together."

Many intelligence professionals

would consider a merger of the military and civilian echelons a shotgun marriage. "Many of the military types hate the civilians, just can't stand them," one official said. "They don't ask the civilians to do anything. They don't know what they're capable of."

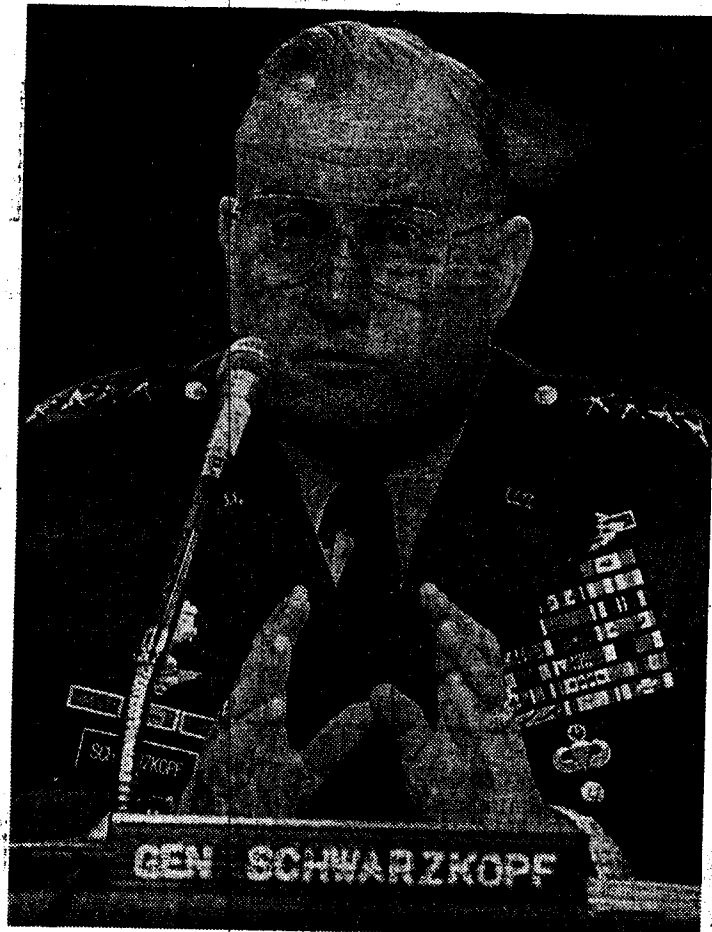
U.S. intelligence during the Persian Gulf War has been widely rated by government officials as superb in many respects, but the conflict also produced hard evidence of the breakdowns that can occur. As the Senate committee observed last July, just before Iraq's invasion of Kuwait, "the tactical and national intelligence communities appear to be excessively isolated from one another, leaving each free to pursue self-sufficiency in their particular realms."

Lawmakers pressing for reforms were encouraged when Army Gen. H. Norman Schwarzkopf, who commanded the war against Iraq, recited some of the shortcomings earlier last month in characteristically blunt terms. Intelligence analyses and predictions on the Iraqi military situation, he said—apparently referring to the CIA and the Defense Intelligence Agency (DIA)—were so "caveated, disagreed with, footnoted and watered-down" that they were useless.

"There were so many disagreements within the intelligence community . . . so many disclaimers," Schwarzkopf told the Senate Armed Services Committee, "that by the

time you got done reading many of the intelligence estimates you received, no matter what happened, they would have been right. And that's not helpful to the guy in the field. It really isn't."

Incompatible computer systems in the military, especially between the Navy and the Air Force, also made the sharing of intelligence information extremely difficult. Another big problem, Schwarzkopf said in congressional testimony, came from the battlefield damage assessments out of Washington, which disputed the reports Schwarzkopf's Central Command was getting from pilots, gun cameras and remotely piloted aircraft. The CIA and the DIA, which relied heavily on satellite photography, were much more conservative in their estimates. The calculations were critical in determining when



General found Iraq analyses "caveated, disagreed with... and watered down." BY RAY LUSTIG—THE WASHINGTON POST

the air war had done enough damage to risk beginning the ground offensive.

If the military had relied on some of the national damage assessments, Schwarzkopf said, "we'd still be sitting over there waiting." The general protested, for instance, that if two full spans of a four-span bridge were knocked out, making it completely unusable, analysts in Washington would report "it's only 50 percent destroyed."

At the CIA, Foster said he recognized the frustrations of field commanders, but defended the conservatism practiced in Washington. A pilot and his gun camera may both attest to hitting an Iraqi tank, but if the turret remains on the tank, Foster suggested, it deserves another hit.

One solution, in Boren's view, is see to it, perhaps by legislation, that more military officers fill CIA ranks and more civilians serve in Pentagon intelligence agencies. One example of the standoffishness between the empires is the fact that the CIA did not send a requested representative to the Pentagon's wartime Joint Intelligence Center until months after Iraq's invasion of Kuwait. And when he went, Boren said, he was counted as a "liaison" officer, not a member of the command group.

On a larger scale, both Senate and House intelligence committees are mulling over proposals to give the CIA director more power in his dual role as director of central intelligence (DCI) or to create a separate DCI with real budgetary au-

thority over national and tactical intelligence.

That authority, as it stands now, is collegial at best. The U.S. intelligence budget, most of it hidden within the Pentagon's, totals approximately \$30 billion. Between \$18 billion and \$19 billion is set aside for the National Foreign Intelligence Program (NFIP) subject to the CIA director's approval. The rest goes to the military services for Tactical Intelligence and Related Activities (TIARA), which is under the control of the secretary of defense.

"It works by consensus, not by fiat," Webster said recently of his jurisdiction over NFIP allocations. These include not only the DIA's budget, but also those of the code-breaking National Security Agency (NSA) and the satellite-launching National Reconnaissance Office (NRO). All are Pentagon agencies, and both the NSA and the NRO have bigger budgets than the CIA.

In the past, the NFIP budget, Webster said, often amounted to just "a series of sub-budgets put together with a staple." If Congress demanded cuts, they were passed out on a pro-rata basis, but over the past decade, that was not a problem. NFIP spending grew as much as 17 percent annually during some of the Reagan administration years, according to several former senior officials. The expansion, the House Permanent Select Committee on Intelligence observed in a recent report on the 1992 intelligence authorization bill, was "rapid and often uncoordinated."

Now, with a multibillion-dollar reduction confronting the agencies over the next six years, the CIA director has a more challenging task ahead. First, he has to negotiate with his peers, most of whom head Pentagon agencies. Then he has to take the NFIP budget as a whole to Secretary of Defense Richard B. Cheney, who has authority over TIARA and the rest of the Pentagon budget, and negotiate with him "on what our fair share would be."

Webster, for one, said he does not think any significant change in the system will "produce a better end result" in light of all the different missions the agencies have. Gates, who joined the CIA 25 years ago, may feel otherwise. Boren said

he thinks there is a real need to give the director of central intelligence "more clout in terms of budget," including at least some authority over TIARA spending.

The Defense Department, under congressional pressures, already has ordered a major restructuring of its intelligence operations, giving DIA more authority over the military services and outlining steps "to eliminate unnecessary duplication" in the services. But there are some members on both the House and Senate committees who wonder if DIA, for years a weak sister, can handle the increased responsibilities.

Above all, Boren said, "the biggest thing you can do is improve the quality of the people collecting and analyzing the intelligence." Over the past 45 years, he said, intelligence professionals say there has been "an alarming decline" in college graduates who have studied different languages and cultures. As in 1958 when Congress passed the National Defense Education Act to enhance math and science studies, Boren said, "it may be time to have a National Security Education Act that might affect both the State Department and the CIA."

With the end of the Cold War, as the House committee pointed out, the challenges confronting the U.S. intelligence community are far different from those that led to its current structure. The Soviet Union will still bear close watching, but the House report noted that "intelligence will have to develop a truly global outlook" even as its resources contract. Doing a better job of assessing the intentions of foreign leaders, collecting more economic intelligence, keeping track of weapons proliferation, fending off terrorists and drug traffickers—all have been cited as pressing assignments.

To hear the CIA's Foster tell it, the glass is still at least half full, not half empty. For instance, he scoffs at the idea that the agency was "woefully short" of Arab speakers during the gulf war and says in-house language training programs are strong and aggressive, including "total immersion in whatever language you train in."

"We are the poorest in the world at telling people what we are doing . . . how we are changing," Foster said. "We just do it."

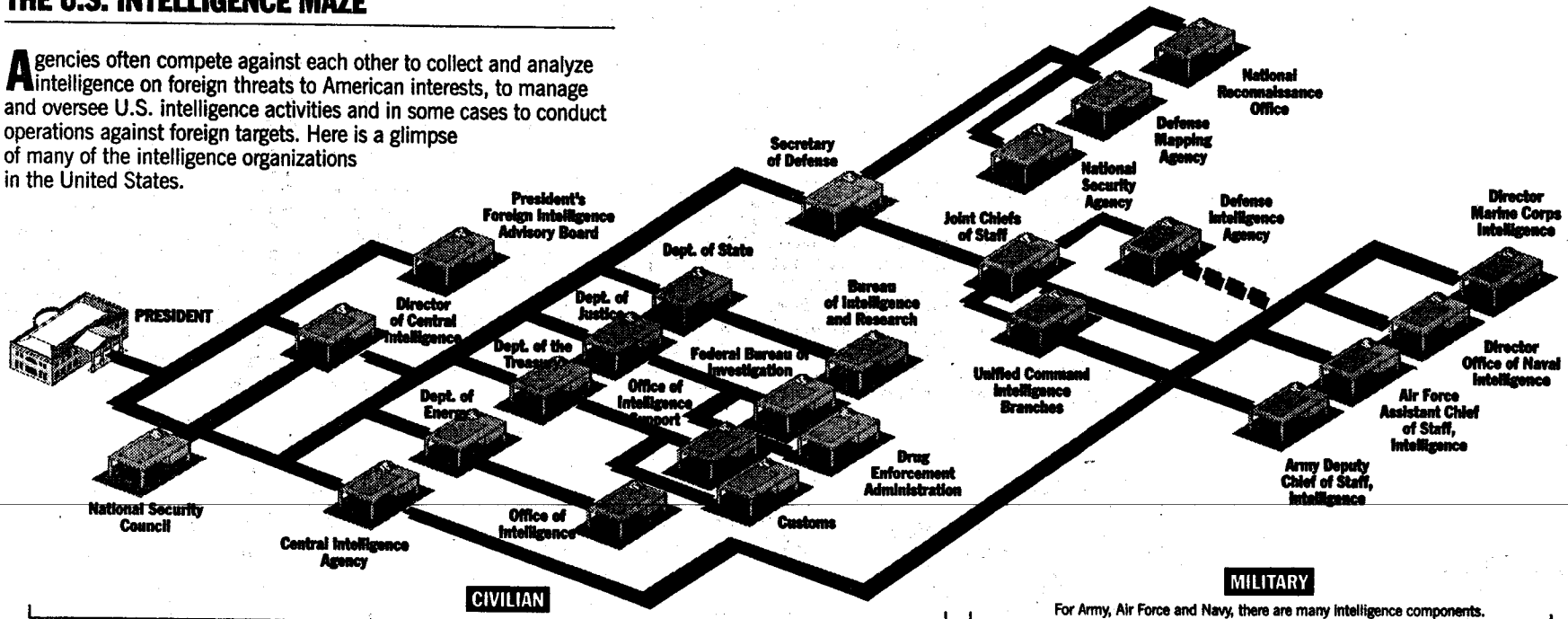
Even so, it may take the rest of

the decade to complete the transformation of the intelligence community from cold warrior to monitor of the new world order. Right now, Boren said, the share of the overall intelligence budget devoted to what is known in the trade as human intelligence is still "tiny," not much above 5 percent. Increasing that to 10 percent—or about \$3 billion out of a \$30 billion budget—"won't be easy," he said, "considering the kind of budget constraints we're facing."

Some of the money may come from reductions in the military bureaucracy. In addition, experts say, the budget for big, expensive satellite systems will have to be cut back. The ones already aloft were sent up primarily to keep watch the Soviet Union and, during the gulf war, successfully refocused on Iraq. Sources say there is no identifiable need for new ones.

THE U.S. INTELLIGENCE MAZE

Agencies often compete against each other to collect and analyze intelligence on foreign threats to American interests, to manage and oversee U.S. intelligence activities and in some cases to conduct operations against foreign targets. Here is a glimpse of many of the intelligence organizations in the United States.



MATT ZANG, U.S. NEWS & WORLD REPORT-FOR THE WASHINGTON POST